



# Agency Benefits Coordinator Meeting

## Billing, Terminations & Premium Holiday

August 2018

# Administrative Error Letters

- The letter must be submitted on the agency's letterhead and include the signature of the ABC and their supervisor
- The letter must clearly explain the nature of the error, how it was made, the member's actions in meeting the plan process requirements within the required timeframes, and the agency's responsibility for the error
- Submitting an Administrative Error letter does not guarantee the policy exception will be granted
- Generally, the turnaround time for review is 5-7 business days from the day that the appeal is sent for review by management but it may be up to 10 business days

# Direct Bill : What is it and how does it work?

- **STATE** employee on FMLA without pay shall continue to receive state support. Once an employee has been FMLA without pay for one full calendar month, they should be enrolled in direct bill effective the first of the month following no pay.
- An employee on a leave of absence not covered under FMLA is responsible for the full 100% premium rate. Once an employee has been on a leave of absence without pay for one full calendar month, s/he should be enrolled in direct bill effective the first of the month following no pay.
- An employee on an unpaid leave of absence does have the option to suspend coverage during an unpaid leave.
- The employee's signature is **NOT** required to enroll in direct bill.
- The employee's signature **IS** required to suspend benefits.

# Direct Bill : What is it and how does it work?

- In order for an employee to be enrolled in direct bill or suspend benefits, a leave of absence form must be submitted to Benefits Administration for processing
- Benefits Administration bills directly for medical, dental, vision, basic life, voluntary accidental death and dismemberment, short term disability, and long term disability
- Benefits Administration does not bill directly for Voluntary Term Life or Unum Universal Life; term life and universal life are billed directly from the vendors
- The employee may contact Minnesota Life and/or Unum directly to request to be placed on direct bill



# Direct Bill : What is it and how does it work?

- **State** employees who are injured on the job and receiving *Temporary Total Disability* payments for any given month will be added to worker's comp billing for the first of the following month
- The agency is responsible for the full 100% premium for medical and basic life
- The employee is responsible and will be billed for any voluntary benefits for which Benefits Administration bills directly

## Direct Bill : What is it and how does it work?

- When an employee has suspended benefits while on a leave of absence, re-enrollment is not automatic
- An employee must submit a completed enrollment change application within 31 days of returning to work enrolling in the same options previously enrolled

Note: An employee returning from **military leave** has 90 days to re-enroll

- Coverage will be effective the first of the month after the employee returns to work and the request for reinstatement has been received by BA

# Direct Bill : Date Information

- The direct billing process runs once a month on or around the 5<sup>th</sup> for the upcoming month's premiums; premiums are due the last day of the month for the upcoming month's coverage
- The first day of the month in which an employee owes premiums directly to Benefits Administration should be entered as the begin billing date on the Leave of Absence- FMLA and Leave of Absence-Continue coverage forms
- The first day of the month in which an employee is suspending benefits should be entered as the suspend date on the Leave of Absence-Suspend coverage form

# Payroll Calendar

2018	JULY					2018
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 No changes in "Job Data" in Edison	3 LE/LG/TBR Collections Applied report can be run for July coverage - Use 18NP0630 for Payrun ID	4 HOLIDAY Independence Day	5	6	7
8	9	10	11 LE/LG/TBR -Premiums Due report can be run for August coverage - Use 18NP0731 for Payrun ID	12	13	14
15	16 Noon cutoff for enrollment paperwork with August effective dates - Central State agencies	17	18 LE/LG/TBR -Premiums Due report can be run for August coverage - Use 18NP0731 for Payrun ID	19	20	21
22	23	24 Noon cutoff for enrollment paperwork with August effective dates - LE/LG/UT/TBR agencies	25 LE/LG/TBR -Premiums Due report can be run for August coverage - Use 18NP0731 for Payrun ID	26	27	28
29	30	31	Aug 01	Aug 02	Aug 03	Aug 04



# Payroll Calendar: Important Dates

2018	JULY						2018
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
1	2	3	4	5	6	7	
	No changes in "Job Data" in Edison	LE/LG/TBR Collections Applied report can be run for July coverage - Use 18NP0630 for Payrun ID	<u>HOLIDAY</u> Independence Day				



Agency bill is available to be pulled from Edison for **Higher Education**



Automated e-mail from Edison is sent to ABC with link to pull Collections Applied Report (if set up to receive e-mail) for **Higher Education**

# Payroll Calendar: Important Dates

2018	JULY						2018
Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	
1	2	3	4	5	6	7	
	No changes in "Job Data" in Edison	LE/IG/TBR Collections Applied report can be run for July coverage - Use 18NP0630 for Payrun ID	<u>HOLIDAY</u> Independence Day				



Direct bill invoices for AUGUST created

# Payroll Calendar: Important Dates

15	16	17	18	19	20	21
	Noon cutoff for enrollment paperwork with August effective dates - Central State agencies		LE/IG/TBR - Premiums Due report can be run for August coverage - Use 18NP0731 for Payrun ID			



Benefits Administration  
guarantees paperwork  
received by deadline will be  
processed for the end of the  
month payroll for **STATE**

# Payroll Calendar: Important Dates

22	23	24	25	26	27	28
		Noon cutoff for enrollment paperwork with August effective dates - LE/LG/UT/TBR agencies	LE/LG/TBR -Premiums Due report can be run for August coverage - Use 18NP0731 for Payrun ID			



Benefits Administration guarantees paperwork received by deadline will be processed by next billing cycle for **Higher Education**

# Termination of Employment and Benefits

- For **STATE** employees, benefits are to terminate the end of the month in which the employee terminates employment

**Example:** Employee terminates employment on 7/16, the termination date in Edison is 7/17 (because the employee actually worked on 7/16). The transaction is entered on 7/18 and benefits will terminate 7/31.



# Termination of Employment and Benefits

- When **STATE** employee's termination is entered after the end of the month payroll confirms, this is referred to as a late termination and benefits are extended through the end of the following month

**Example:** Employee terminates employment on 7/16, the termination date in Edison is 7/17 (because the employee actually worked on 7/16). The transaction is entered on 7/25 and benefits will be extended through 8/31.

# Termination of Employment and Benefits

- If a **STATE** employee works on the last day of the month and the first day of the following month is the termination date entered in Edison. This employee will have benefits through the month in which they terminated

**EXAMPLE:** Employee terminates on 7/31. The termination date entered in Edison is 8/1 (because the employee either worked or had leave time for 7/31), and benefits will automatically terminate 8/31.

# Termination of Employment and Benefits

- For **Higher Education** employees, the termination date entered in Edison should be the employee's last working day.

**Example:** Employee works on 7/15, the termination date entered in Edison should be 7/15 and benefits will terminate 8/31.

# Premium Holiday: Who, what and when?

- There will be a premium holiday for all state and higher education active employees, retirees under 65 and COBRA participants
- The premium holiday is for **medical** insurance only
- For active state employees enrolled in medical insurance, there will not be a deduction taken out of their end of November 2018 payroll checks for December coverage
- Higher Education agencies will not see medical premiums on their December collections applied report

# Premium Holiday

- State and Higher Education retirees under 65 enrolled in direct bill and COBRA participants will not receive an invoice in November 2018 for December 2018 medical premiums
- State and Higher Education retirees under 65 receiving a TCRS pension check will not have a deduction in November 2018 for December 2018 medical premiums

**Note:** If an employee has a retroactive transaction entered, they may have a deduction for medical insurance in November